EXHIBIT 1
DATE 2-12-07
HB HB 30

Children's Health Insurance Reform: Increasing Coverage and Expanding Access in the States

On the heels of major reforms like the ones enacted in Maine, Massachusetts and Vermont, states across the nation are considering plans to increase access to health insurance for their citizens in 2007. These plans are as diverse as the states themselves, but children have captured the spotlight in a number of proposals, as well as in the halls of Congress. The U.S. Census Bureau reported in 2005 that more than 8 million children under the age of 18 were uninsured. Typically, children's health care needs center around simple preventative care such as immunizations and check-ups. Research shows early intervention makes a measurable improvement in the future health of these children. Furthermore, states already have the State Children's Health Insurance (SCHIP) programs in place--and the dollars committed to these programs--enabling them to move more quickly through a reform or expansion process.

SCHIP, a state-federal partnership, was created as part of the Balanced Budget Act of 1997 to bridge the safety net gap for low-income children who are ineligible for Medicaid but still lack private health insurance. SCHIP received a $40 billion allocation from Congress upon its creation, but that allocation expires in 2007. States are waiting to see what kind of program will come out of Congress: Will they reauthorize SCHIP? Will they increase funding to the program? Will they allow program roll-backs to occur? In the interim, a handful of states exploring reform proposals are hoping to leverage SCHIP funds and the increased flexibility provided by the Deficit Reduction Act of 2005 (DRA) for increase access to uninsured children and--in some states--pregnant women.

For more information about **SCHIP**, click here.

More Resources:
Federal Poverty Guidelines - 2007
Insurance Coverage for Young Adults - Legislative Tracking
Health Care Access - State laws, reforms, and proposals
Medicaid - Overview, amendments, DRA
Maternal and Child Health - Main Overview
50 State Laws Chart - Updated Regularly

Children's Health Insurance: State Reforms, Expansions and Proposals
Updated February 6, 2007

State	2006 Reforms and Expansions	2007 Action
California		**State Systems Reform/Universal Access.** Proposal includes a number of initiatives for broad systems reform (full proposal). All children, regardless of residency status, would be covered in the proposal. Uninsured children in families with income below 300 percent of federal poverty guidelines would be eligible for state-subsidized coverage. The proposal calls for an enrollment push for children already eligible for the Medi-Cal and Healthy Families Programs (California's Medicaid and SCHIP programs). Parents would be *required* to insure their children to a minimum standard set by the state. **Proposed by Governor 1/9/2007.** A.B. 53 - Proposes universal health care coverage in the state. Single-payer system model. Children would have health insurance coverage, as would all state residents.
Florida		**Universal Access.** Bill requires the Department of Health to develop and administer a program which provides all medically necessary services to children, including children with special health care needs, without cost to their families. *Introduced;* SB 910
Illinois	**Universal Access.** The AllKids program provides children up to the age of 18 with comprehensive	

	health insurance which covers preventative care, dental and vision services, hospital costs, and prescription drugs, among other services. The program is available to all Illinois children without private health insurance and has no family income cap. Children do not need to be U.S. citizens for their parents to buy into the program. The children must not be eligible for state programs like Medicaid or Illinois CHIP. Premiums are based on a sliding income scale, starting at $40 per month per child. **AllKids went into effect July 1, 2006**. More NCSL information Text of legislation Illinois' Webpage on AllKids	
Kansas		**Increased Access/SCHIP Expansion.** Governor Sebelius has included the ***Healthy Kansas First Five*** proposal in the 2008 budget request submitted to the legislature. The proposal is the first priority of the Kansas Health Policy Authority. The program would increase the eligibility for children under age 5 from 200 percent of federal poverty guidelines to 235 percent. Kansas will use state-only funds to allow families with incomes up to 300 percent of federal poverty guidelines to buy into the Health Wave program, the state's managed care program for publicly funded insurance, with premiums on a sliding-scale based on income. Families with incomes above 300 percent of federal poverty guidelines can buy into Health Wave at full cost. Medicaid eligibility for pregnant women would increase to 185 percent of federal poverty guidelines. Kansas Health Policy Authority
Massachusetts	**Universal Access/Medicaid & SCHIP Expansion.** In April of 2006, Massachusetts passed comprehensive health care reform called the "Act Providing Access to Affordable, Quality, Accountable Health Care." The law does not specifically address children, but it does have components that will increase access for them. The law includes a Medicaid expansion from the previous level of 200 percent of federal poverty guidelines to 300 percent. The Commonwealth Insurance Plan will provide low-cost, state subsidized (for specified income levels) insurance that is portable from job to job; presumably, children will gain access to insurance through these programs. The individual mandate that all state residents have health insurance applies only to people over the age of 18. **Enacted 4/12/06.** More NCSL Information Text of legislation	
Minnesota		**Universal Access/SCHIP Expansion.** The Children's Health Security Act would expand Medicaid benefits to children in families with income below 300 percent of federal poverty guidelines, with no enrollee premiums or cost-sharing requirements. Two years after enrollment for this population opens, children in families making above 300 percent of the federal poverty guidelines become eligible, with no income cap. Families with private or federal insurance policies may also join the program, but the state insurance must remain the secondary policy. Children are defined as under age 19, or unmarried, financially dependent full-time students up to age 25. The state will seek federal waivers and approvals as necessary to expand MinnesotaCare (Medicaid). Implementation July 1, 2008 or after federal approval.

		Introduced; H.F. 1 - Text of legislation
Montana		**SCHIP Expansion.** The bill would increase the SCHIP eligibility level for children in families with income up to 175 percent of federal poverty guidelines--from the current level of 150 percent--provided there is funding available. The bill requires the state to leverage any federal dollars available to fund the program, possibly through a Medicaid waiver. In committee; S.B. 22
New York	**Existing Program.** Enacted in 1990, the Medicaid or Child Health Plus program (New York's SCHIP) covers residents under the age of 19 in families with incomes up to 160 percent of federal poverty guidelines at no cost. For families with incomes at 161-250 percent of federal poverty guidelines, they may enroll with cost-sharing. Above 250 percent, children may enroll at full cost. Illegal immigrants may participate in the program, but the state uses no federal dollars to fund their care. New York's Webpage on Child Health Plus	
North Dakota		**SCHIP Expansion.** The bill will increase SCHIP eligibility levels from the current level of 140 percent of federal poverty guidelines to 200 percent for children up to age 19. Introduced; H.B. 1047
Oregon		**Universal Access/SCHIP Expansion.** The governor proposed his "Healthy Kids Plan" and asked the Medicaid Advisory Commission to offer their suggestions, which they did in May of 2006. The governor's plan includes an SCHIP expansion (with federal approval) which would allow children up to age 19 in families with incomes at or below 300 percent of the federal poverty guidelines to be eligible for the program. The proposal intends to increase the state's tobacco tax and use part of the revenue increase to subsidize premiums in the Oregon Health Plan for uninsured families (with incomes up to 350 percent of federal poverty guidelines). **Proposed by Governor, 2006.** Governor's Healthy Kids Plan PowerPoint Medicaid Commission's Recommendations
Pennsylvania	**Universal Access/SCHIP Expansion**. The Cover All Kids program is largely an SCHIP expansion. Prior to the expansion, Pennsylvania covered children in families with income up to 200 percent of federal poverty guidelines through CHIP. The state will continue that coverage and open the program to children in families with income up to 300 percent of federal poverty guidelines with premiums based on a sliding income scale, ranging from $36 to $57 per child per month. Families with incomes above this threshold may buy into the CHIP program if coverage has been denied due to a preexisting condition, private insurance premiums are 150 percent higher than the state's monthly premium, or the cost of insurance exceeds 10 percent of annual family income. For parents at this income level who can access private insurance but cannot afford the premiums, the state will subsidize the cost. **Effective November 2, 2006**. Text of legislation Pennsylvania's Webpage on CHIP	
Tennessee	**State Systems Expansion/Reform.** Cover Kids, part of the state's Cover Tennessee plan passed in 2006, is expected to be implemented in early 2007. The state received federal approval in January, which	

	will allow it to use federal dollars for the expansion. The Cover Kids plan expands health insurance to uninsured children and pregnant women who are not eligible for Medicaid in families with incomes up to 250 percent of federal poverty guidelines. The benefits of the plan are based on the state employees' health insurance plan and focus on preventative and well-child care. Cost-sharing for most services is required for all participants. Families who are not eligible by income may buy in to the program by paying monthly premiums. **Effective June 12, 2006.** Tennessee's Webpage on Cover Kids Cost-Sharing and Benefits	
Vermont	**State Systems Reform/Universal Access.** The Catamount Health program introduces reforms that are mainly geared toward adults. Between the Medicaid and SCHIP programs in the state, eligibility levels for children were already at 300 percent of federal poverty guidelines. The reforms, however, reduce premiums for children in the Dr. Dynasaur and SCHIP programs by half. A private insurance plan that is subsidized by the state (for individuals or families with income below 300 percent of federal poverty guidelines) will be available for children and families who are not eligible for other public insurance. Individuals and families with income above 300 percent of federal poverty guidelines may buy into the program. Through Catamount, Medicaid reimbursement rates for preventative care, dental care and some other services will be increased. Disease management programs will be introduced in public insurance plans. **Passed.** More NCSL Information; Vermont's Webpage on Catamount	
Washington		**SCHIP Expansion.** Governor Gregoire's 2007 budget proposal includes reforms aimed at insuring 32,000 more children and to add three vaccines--for rotavirus, chicken pox, and Human Papillomavirus (HPV)--to the list of vaccines already offered to Washington's children free of charge. **Proposed by Governor 12/2006.** Governor's Budget
West Virginia	**Medicaid Reform.** NCSL Summary of State Plan Amendment	
Wisconsin		**State Systems Reform/SCHIP Expansion.** Governor Doyle is expected to release his Badger Care Plus plan with his budget proposal mid-February. Previously, a task force developed a series of suggestions to the Governor, which his office has said will be somewhat similar to his proposal. Task Force suggestions for Badger Care Plus

Source: *National Conference of State Legislatures, 2007*
Note: *List may not be comprehensive, but is representative of state plans and proposals. NCSL appreciates additions and corrections. To submit additions or corrections, please email us at* health-info@ncsl.org